



**CITY OF HOUSTON**  
FINANCE DEPARTMENT  
Strategic Procurement Division

**Annise D. Parker**

Mayor

Lourdes Coss  
Chief Procurement Officer  
P.O. Box 1562  
Houston, Texas 77251-1562

F. 832.393.8755  
<https://purchasing.houstontx.gov>

January 20, 2015

**SUBJECT:** Letter of Clarification No. 2

**REFERENCE:** RFP Invitation No. S12-T25267, Aviation Gasoline (AVGAS) Fuel Supplier Services

**TO:** All Prospective Respondents:

This Letter of Clarification is issued for the following reasons:

• **To revise the above referenced solicitation as follows:**

- 1) Replace RFP pages 15 thru 18, 29 and 32 with revised pages 15A thru 18A, 29A and 32A.  
Delete pages 36 and 37 from the RFP document.

• **The following questions and City of Houston responses are hereby incorporated and made a part of the RFP:**

1. **Vendor Question:**

Please provide the filter numbers for the vessel that will be installed on the fuel farm system.

**COH Response:**

The required cartridges for the Facet filter vessel are FG-220-6. A total of ten of these cartridges are needed.

2. **Vendor Question:**

What date will the City of Houston be using regarding the Platts Index?

**COH Response:**

January 13, 2015

3. **Vendor Question:**

Is a PO required per load?

**COH Response:**

A Service Release Order (SRO) will be issued at the beginning of each Fiscal Year (July 1<sup>st</sup>).

LETTER OF CLARIFICATION No.2  
Aviation Gasoline (AVGAS) Fuel Supplier Services  
SOLICITATION No.S12-T25267

When issued, Letter(s) of Clarification shall automatically become a part of the proposal documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. All revisions, responses, and answers incorporated into the Letter(s) of Clarification are collaboratively from both the Strategic Purchasing Division and the applicable City Department(s). It is the responsibility of the proposers to ensure that it has obtained all such letter(s). By submitting a proposal on this project, proposers shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this proposal.

If you have any questions or if further clarification is needed regarding this Request for Proposal, please contact me.

*Martin L. King*

Martin L. King  
Senior Staff Analyst  
Strategic Procurement Division  
832-393-8705

END OF LETTER OF CLARIFICATION 2

*Partnering to better serve Houston*

**Council Members:** Helena Brown Jerry Davis Ellen Cohen Wanda Adams Mike Sullivan Al Hoang Oliver Pennington Edward Gonzalez  
James G. Rodriguez Mike Laster Larry Green Stephen C. Costello Andrew Burks Melissa Noriega C.O. "Brad" Bradford  
Jack Christie **Controller:** Ronald C. Green

## SPECIAL TERMS AND CONDITIONS

### SOLICITATION NO. S12-T25267

- 8.3 If the City fails to make a payment according to the early payment schedule above, but does make the pay no other penalty. When the payment date falls on a Saturday, Sunday, or official holiday when City offices are closed and City business is not expected to be conducted, payment may be made on the following business day.

**9.0 PROCUREMENT TIMELINE/SCHEDULE:**

- 9.1 Listed below are the important and estimated completion dates and times for this Request for Proposal (RFP).

<b>9.2 <u>EVENT</u></b>	<b><u>DATE</u></b>
Date of RFP Issued	December 30, 2014
Pre-Proposal Conference	January 8, 2015
Questions from Proposers Due to City	January 12, 2015
<b><u>Proposals Due from Proposers</u></b>	<b><u>January 22, 2015</u></b>
Notification of Intent to Award ( <i>Estimated</i> )	February 5, 2015
Council Agenda Date ( <i>Estimated</i> )	February 12, 2015
Contract Start Date ( <i>Estimated</i> )	February 27, 2015

REMAINING PORTION OF PAGE INTENTIONALLY LEFT BLANK



<p style="text-align: center;"><b>OFFER SHEET / BID FORM</b> <b>SOLICITATION NO. S12-T25267</b></p>
---

**1.0     INTRODUCTION:**

- 1.1     The Houston Airport System (HAS) seeks Proposers via this Request for Proposal (RFP) that are financially and technically qualified and properly licensed for the supply of Avgas/100LL aviation fuel for purchase and resale by the Houston Airport System's Ellington Field (EFD) Airport Operation Division. The purchased Avgas/100LL aviation fuel will be pumped off the Proposer's selected Contractor's fuel truck into a City owned and operated 12,000 gallon above ground Self-Serve storage tank. The City anticipates the annual resale of approximately 96,000 gallons of Avgas/100LL at EFD (*No historical data is available*).
- 1.2     The City is dedicated to provide quality product and services to its customers at the Ellington Field (EFD) facility located at 510 Ellington Field, Houston TX 77034. The City requires that all prospective Proposers have a minimum of five (5) years experience in aviation fuel sales and provide a listing of other aviation customers with their proposals. Letters of recommendation are requested though not required.

**2.0     FUEL EXEMPTION:**

- 2.1     The procurement of fuel for resale is exempt from Texas competitive bid laws pursuant to Texas Local Gov't Code §252.022(a)(D)(14, "goods purchased by a municipality for subsequent retail sale by the municipality". Therefore, the City is following its own solicitation process and is not bound by past precedent or strict state solicitation requirements.

**3.0     PRICE ADJUSTMENTS**

- 3.1     The "Transportation Cost" may be adjusted (up or down) at any time and from time to time for any third party increases beyond Seller's control. Any increases are subject to review by the City of Houston before any adjustments can be made. In the event either party cannot agree upon the adjustment, the City of Houston and/or the Seller has the right to terminate the Contract with **60** days written notice to the other party for purposes of the forgoing, the term "Differential Price" means the price per gallon amount set forth in the Offer sheet/Bid Form in respect to Avgas Gasoline; and the term "Transportation Cost" means the price per gallon for Avgas.

**4.0     INVOICING:**

- 4.1     Proposer must submit invoices on a form(s) approved in advance by Director; invoices must be accompanied by support documents requested by Director.
- 4.2     Invoices must have itemized lines detailing all charges as follows:
- 4.2.1     Weekly rate for the Houston Region (per gallon for fuel)
  - 4.2.2     Differential
  - 4.2.3     Delivery Fee
  - 4.2.4     Federal Oil Spill Liability Tax
  - 4.2.5     Federal Excise Tax (if applicable)
  - 4.2.6     Federal LUST Tax



<p style="text-align: center;"><b>SPECIFICATIONS / SCOPE OF WORK</b> <b>SOLICITATION NO. S12-T25267</b></p>
---

- 4.3 Invoices must be accompanied with a copy of the PLATTS report for the previous weeks 5 day average. Prices must be based on the previous week's average. PLATT averages are published on Mondays. The reports are normally available on Monday's. The Monday report must be the reference for prices for all purchases made beginning the following Tuesday for a period of one (1) week, which would be from Tuesday through Monday. Proposer must furnish a computer printout each week showing the above calculations and prices in effect for the period, to be emailed to the office of the Director. Proposer is to provide an invoice for payment documentation.
- 4.4 Each invoice submitted must be in duplicate and each copy must include required attachments. The invoice must be identified by the Agreement name and Agreement number. All invoices are to be delivered or mailed to the following location:
  - 4.4.1 City of Houston  
Houston Airport System  
Finance Division/Accounts Payable  
P.O. Box 60106  
Houston, Texas 77205-0106
  - 4.4.2 The Houston Airport system will accept invoices submitted electronically along with required support information; such as Outline Agreement Number(s), Service Release Orders (SRO) Numbers, and etc. Each invoice should be in a TIFF format. Multiple invoices can be submitted in a single email. Requirements are as follows:
    - 4.4.2.1 Submit invoices in "TIFF" format
    - 4.4.2.2 Submit to HAS.accounts payable@houston.tx.gov

**5.0 MISCELLANEOUS:**

- 5.1 The City reserves the right to correct technical data that may through the course of the Proposal process that is found to be incorrect.

**6.0 FUEL:**

- 6.1 Proposer will be required to furnish the City with copies of the following at each delivery:
  - 6.1.1 Certificate of Lab Analysis
  - 6.1.2 API Gravity tests at the rack
- 6.2 All aviation fuel supplied under this contract must conform in every aspect to all standards and regulations established by Federal, State and Local laws. If any of the applicable standards and regulations is/are updated/revised during the term of the contract; the Proposer must conform to the latest version.
- 6.3 Avgas 100LL must meet the requirements of ASTM 910 (latest revision) and all applicable federal, state, and local regulations. Future replacement of Avgas 100LL must meet industry standards as outlined by the applicable ASTM.
- 6.4 The following requirements and specifications shall be in addition to the other requirements contained herein and shall supersede the other requirements where applicable.
  - 6.4.1.1 The City intends to purchase Avgas Low Lead 100 LL meeting ASTM D 910 or latest version thereof, aviation fuel by contract for resale at Ellington Airport (EFD). Ellington Airport has installed one (1) new 12,000 gallon Self-Serve above ground AVGAS 100 LL tank.
  - 6.4.2 All fuel will be ordered and scheduled by Ellington Field (EFD) Airport personnel. All fuel must be deposited in EFD aviation fuel tank.



<p style="text-align: center;"><b>SPECIFICATIONS / SCOPE OF WORK</b> <b>SOLICITATION NO. S12-T25267</b></p>
---

- 6.5 The following are expectations of the City as they relate to fuel. They are to be included in the proposal narrative with any additional items proposer desires to offer.
  - 6.5.1 Avgas 100LL: Must meet the requirements of ASTM D-910 (latest revision). Include specifications.
  - 6.5.2 Each tanker supplying fuel to the Airport fuel farm must be dedicated to aviation fuel products only and must not carry any other products. Proposer/transporter must only transport like types of fuel to prevent fuel contamination and must provide documentation of predelivery testing detailing what was previously contained in the delivery vehicle and method of cleaning.
  - 6.5.3 Traceability of fuel product shipments, from refinery to the Airport aviation fuel tank.
  - 6.5.4 The selected Proposer must perform and document the following tests at the Proposer's rack before shipments are delivered at the Airport:
    - 6.5.4.1 Visual
    - 6.5.4.2 Color
    - 6.5.4.3 Bottom sediment and water
    - 6.5.4.4 Temperature
    - 6.5.4.5 API Gravity
    - 6.5.4.6 Gauging
- 6.6 The above test must be submitted to authorized/designated Airport personnel with each delivery.
- 6.7 The City may perform any additional tests it deems necessary and reserves the right to reject any delivery it deems unsuitable.
- 6.8 The City maintains the right to reject any operator/truck that does not meet the standards herein.
- 6.9 The Director will furnish Proposer with reasons for rejection in writing within five (5) business days. The Airport Manager or Staff shall maintain the right to reject any operator/truck violating airport and/or any other safety rules, regulations, statutes or ordinances.



**OFFER SHEET / BID FORM**  
**SOLICITATION NO. S12-T25267**

**1.0 OFFERSHEET/BID FORMS:**

- 1.1 Proposer must submit with their proposal a copy of the invoice from their supplier that indicates the actual cost for AvGas (LL) 100 with the EFFECTIVE DATE OF FUEL PRICING AND PROPOSER'S INVOICE BEING ( ).
- 1.2 Differential shall include any unloading fee, margin for profit, and all other expenses EXCEPT for taxes. Federal Oil Spill Liability Tax; Federal Excise Tax and Federal LUST Tax.
- 1.3 Proposer must use the following Offer Sheet/Bid Forms and provide all information requested in the RFP.

**2.0 AV GAS LOW LEAD (LL) 100:**

- 2.1 \$ \_\_\_\_\_ /gallon (differential added to PLATTS weekly rate for the Houston region as of January 13, 2015)
- 2.2 \$ \_\_\_\_\_ /gallon Transportation (Based on 8,000 gallon fuel load)
- 2.3 \$ \_\_\_\_\_ /gallon Federal Oil Spill Tax
- 2.4 \$ \_\_\_\_\_ /gallon Federal Excise Tax
- 2.5 \$ \_\_\_\_\_ /gallon Federal Lust Tax
- 2.6 \$ \_\_\_\_\_ /gallon TOTAL (total of lines 2.1 – 2.5)

**Note(s):** Bids not based on PLATT formula shall be rejected.

**No charges may be billed to the City unless such costs were explicitly included in the proposal.**



	<b>EVALUATION AND SELECTION PROCESS</b> <b>SOLICITATION NO. S12-T25267</b>	
--	---	--

**6.0 FUEL PRICING & GENERATORS:**

- 6.1 Proposer must provide a FIRM PRICE DIFFERENTIAL for AVGAS as follows:
- 6.1.1 Price for Avgas 100LL is the price in effect at time of delivery and is based on a formula using PLATTS from the Gulf Coast Pipeline Unleaded 93 prior week average, plus bidder's mark-up per gallon, plus transportation cost, plus tax in effect.
  - 6.1.2 The PLATTS reports are normally available on Tuesdays or Wednesdays. The Monday report must be the reference for prices for all purchases made beginning the following Tuesday for a period of one (1) week, which would be from Tuesday through Monday.
  - 6.1.3 Proposer must furnish a computer printout for each delivery showing the above calculations and prices in effect for the period, to be emailed to the Director.
  - 6.1.4 The City is subject to federal taxes and fees.
  - 6.1.5 Fuel prices must be provided on the Offer Sheet included in the proposal (Platts Index as of January 13, 2015).

**7.0 PRICING:**

- 7.1 Fuel delivery charges / credits must be kept separate from credit card transaction reimbursement / charge back (if applicable).
- 7.2 Differential must include any unloading fee, margin for profit, and all other expenses EXCEPT for airport fees, or any applicable taxes. Federal Oil Spill Liability Tax; Federal Excise Tax and Federal LUST Tax.
- 7.3 The price differential per gallon of fuel must include any additional fees such as State Inspection Fee, Environmental Impact Fee, prompt payment discounts, and any other applicable charges listed as separate line items on invoice.
- 7.4 Any discounts or rebates given to the Proposer must be identified & passed along to the City in full.
- 7.5 Monthly detail reports specifying delivery date, bill of lading, invoice numbers, net gallons, and invoice amount (include discounts if applicable) must be provided.
- 7.6 Proposer must provide sample copies of all reports, invoices and statements with their proposal.
- 7.7 Price Reductions:
  - 7.7.1 By submitting a proposal in response to this RFP, Proposers agree to guarantee that the City is receiving the lowest price offered by your company to other customers for similar services at comparable volumes in a similar geographic area.
- 7.8 If at any time during the Contract period the Proposer's company offers a lower price to another customer and notification is not made of price reduction, upon discovery, the City shall reserve the right to take any or all of the following actions:
  - 7.8.1 Cancel the Contract, if it is currently in effect.
  - 7.8.2 Determine the amount which the City was overcharged and submit a request for payment from the Proposer for that amount.
  - 7.8.3 Take the necessary steps to collect any performance surety provided on the applicable Contract.